

H.R. 6331

THE MEDICARE IMPROVEMENTS FOR PATIENTS AND PROVIDERS ACT:

PAYING DOCTORS FAIRLY FOR CARE, PRESERVING ACCESS FOR SENIORS AND THE DISABLED

Physicians and other clinicians are paid by Medicare under a fee schedule. Payments for every kind of service are increased each year to reflect the rising cost of providing care — but at the same time, a formula implemented by Congress in 1997 to control costs in Medicare reduces payments to physicians and other clinicians. As healthcare costs have exploded, the formula known as the Sustainable Growth Rate (SGR) has mandated deeper cuts in physician payments from year to year. To make sure that doctors are paid fairly for services rendered, and to keep those services available to Medicare beneficiaries, Congress has reversed planned cuts in physician payments every year since 2002. The Medicare Improvements for Patients and Provider Act of 2008 stops the next planned payment reduction, and provides a modest increase instead. The bill also implements several significant reforms that will improve the quality of care that beneficiaries receive while ensuring the efficient use of Medicare dollars. Provisions are as follows:

- **Maintain physician payment rates for 2008, with an increase in 2009.** In July of this year, doctors are facing a 10.6 percent payment cut under the SGR. The Medicare Improvements for Patients and Provider Act stops the scheduled cut for 2008 — and increases physician payments by 1.1 percent for 2009, per the recommendation of the Medicare Payment Advisory Payment Commission (MedPAC).
- **Extend and improve the Physician Quality Reporting Initiative (PQRI).** Evidence shows that when providers or benefit plans are required to measure the quality of care they deliver and report, quality increases and resulting public information helps patients become better healthcare consumers. H.R. 6331 extends for two years the Physician Quality Reporting Initiative under which physicians report back to Medicare on their compliance with a standard set of quality measures, and increases incentive payments for this reporting by 2 percent. The bill focuses efforts on reporting on treatment of high-cost, chronic conditions where the most dramatic improvements in quality may be made, and contains measures to reduce the administrative costs physicians face to track and report quality.
- **Require physicians to submit their prescriptions to pharmacies electronically.** Electronic prescribing (e-prescribing) will prevent medication errors, reduce avoidable hospitalizations, complications, and fatalities, and ultimately save Medicare dollars. H.R. 6331 will increase payments now to physicians who use qualified e-prescribing systems. In 2011, however, physicians who have not yet begun e-prescribing will see a cut in Medicare reimbursement. Very limited hardship exceptions are authorized for providers who cannot comply with the mandate, such as those without access to the Internet.

- **Increase beneficiary access to primary care services.** Primary care services are the bread and butter of our healthcare system. Areas with more primary care doctors spend less on health care, and patients end up healthier. This legislation will:
 - Expand access to and improve the quality of primary care services across the country. First, it increases funding for a “medical home” demonstration program that emphasizes the importance of primary care physicians in managing patient health.
 - Correct a mistake by the Centers for Medicare and Medicaid Services that disproportionately reduced payments for primary care compared to other services in Medicare.
- **Improve the appropriateness and the quality of imaging services.** More and more, today’s medical care includes advanced imaging studies such as MRI, CT, and PET scans. To maintain high standards among providers of these services, and to ensure quality care for seniors and the disabled, H.R. 6331 requires that advanced imaging providers be accredited by nationally-recognized accrediting bodies in order to receive Medicare payment. It would also launch a demonstration program to ensure that advanced imaging is not overused as a diagnostic tool.
- **Honor doctors’ military service.** Physicians leaving a practice for fewer than 60 days can have colleagues “cover” for them in caring for Medicare patients, and can continue to receive Medicare reimbursements. Physicians who serve in the U.S. military are sometimes called away for significant periods of time. H.R. 6331 allows the private practices of doctors ordered to active duty in the Armed Services to be sustained in their absence.
- **Additional payment protections.** The bill also requires Medicare coverage of cardiac and pulmonary rehabilitation programs, restores reductions in payment for psychology services, and makes sure that teaching anesthesiologists and nurse anesthetists are paid fully and fairly for each patient under their care.